

**Commonwealth of Kentucky
Environmental and Public Protection Cabinet
Department for Environmental Protection
Division for Air Quality
803 Schenkel Lane
Frankfort, Kentucky 40601
(502) 573-3382**

Draft

**AIR QUALITY PERMIT
Issued under 401 KAR 52:020**

Permittee Name: James Marine Inc.
Mailing Address: P.O. Box 2305, Paducah, KY 42002-2305

Source Name: Paducah River Painting
Mailing Address: 476 Riverside Lane
Calvert City, KY 42029

Source Location: Same as above

Permit Number: V-05-048
Source A. I. #: 2938
Activity #: APE20040001
Review Type: Operating
Source ID #: 21-157-00048

Regional Office: Paducah Regional Office
130 Eagle Nest Dr.
Paducah, KY 42003
(270) 898-8468)

County: Marshall

**Application
Complete Date:** January 10, 2004
Issuance Date:
Revision Date:
Expiration Date:

**John S. Lyons, Director
Division for Air Quality**

TABLE OF CONTENTS

SECTION	DATE OF ISSUANCE	PAGE
A. PERMIT AUTHORIZATION		1
B. EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS		2
C. INSIGNIFICANT ACTIVITIES		11
D. SOURCE EMISSION LIMITATIONS AND TESTING REQUIREMENTS		12
E. SOURCE CONTROL EQUIPMENT OPERATING REQUIREMENTS		19
F. MONITORING, RECORDKEEPING, AND REPORTING REQUIREMENTS		20
G. GENERAL PROVISIONS		23
H. ALTERNATE OPERATING SCENARIOS		28
I. COMPLIANCE SCHEDULE		28

SECTION A - PERMIT AUTHORIZATION

Pursuant to a duly submitted application the Kentucky Division for Air Quality hereby authorizes the operation of the equipment described herein in accordance with the terms and conditions of this permit. This permit has been issued under the provisions of Kentucky Revised Statutes Chapter 224 and regulations promulgated pursuant thereto.

The permittee shall not construct, reconstruct, or modify any affected facilities without first submitting a complete application and receiving a permit for the planned activity from the permitting authority, except as provided in this permit or in 401 KAR 52:020, Title V Permits.

Issuance of this permit does not relieve the permittee from the responsibility of obtaining any other permits, licenses, or approvals required by this Cabinet or any other federal, state, or local agency.

SECTION B - EMISSION POINTS, EMISSION UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS

EU01 Outdoor Barge Blasting

Description: Blasting operation is conducted on the areas of the bottom of the barge where it will rest on rolling dollies used to move it along the rest of the process. Blasting is conducted using up to eight (8) guns powered by any or all of four (4) Diesel powered air compressors (See EU05).

Raw materials used: Black BeautyTM blasting agent or equivalent

Maximum quantity input of raw material: 3,200 lb/hour

Type of products: partially cleaned barges

Maximum hourly capacity: 0.33 barges/hour

Date constructed: 1993

APPLICABLE REGULATIONS:

401 KAR 63:010, Fugitive Emissions

1. Operating Limitations:

- A. 401 KAR 63:010, § 3(1)(c), reasonable precautions and adequate containment methods shall be employed during sandblasting or other similar operations.
- B. 401 KAR 63:010, § 3(2), no person shall cause or permit the discharge of visible fugitive dust emissions beyond the lot line of the property on which the emissions originate.

Compliance Demonstration Method: The abrasive used shall be steel grit abrasive, Black BeautyTM blasting agent, or equivalent.

2. Emission Limitations: Not Applicable

3. Testing Requirements: Not Applicable

4. Specific Monitoring Requirements: The type of abrasive used shall be monitored.

5. Specific Record Keeping Requirements:

Monthly records shall be maintained documenting the type and quantity of abrasive used.

6. Specific Reporting Requirements: See Section F.5 and F.6

7. Specific Control Equipment Operating Conditions: None

8. Alternate Operating Scenarios: None

SECTION B -EMISSION POINTS, EMISSION UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

EU02 Outdoor Barge Painting

Description: Barge painting operation with four (4) airless spray guns is conducted on the areas of the bottom of the barge where it will rest on rolling dollies used to move it along to the next process.

Raw materials used: Paints with thinner

Maximum quantity input of raw material: 50 gallons of coating per hour

Type of products: painted barges

Date constructed: 1993

APPLICABLE REGULATIONS:

401 KAR 63:010, Fugitive Emissions

401 KAR 63:020, Potentially hazardous matter or toxic substances, applicable to each affected facility which emits or may potentially emit hazardous matter or toxic substances.

40 CFR 63.780 to 63.788 (Subpart II), National Emission Standards for Shipbuilding and Ship Repair (Surface Coating)

1. Operating Limitations:

- A. 401 KAR 63:010, § 3(2) and §3(3), no person shall cause or permit the discharge of visible fugitive emissions beyond the lot line of the property on which the emissions originate.
- B. All coatings used shall be formulated as-supplied to meet the VOHAP limits contained in Table 2 to 40 CFR 63, Subpart II.
- C. All thinner used must be a HAPS-free formulation.
- D. See Section D.5, Compliance Demonstration Method (C), §63.785, Compliance procedures.

2. Emission Limitations:

- A. Source wide VOC emissions shall be less than or equal to 98.0 tons during any twelve (12) consecutive month period.
See Section D.3, Compliance Demonstration Method (A).
- B. No owner or operator shall allow any affected facility to emit potentially hazardous matter or toxic substances in such quantities or duration as to be harmful to the health or welfare of humans, animals and plants.
See Section D.6, Compliance Demonstration Method (D).

3. Testing Requirements:

See Section D.5, §63.786, Test methods and procedures

4. Specific Monitoring Requirements:

- A. Fugitive emissions shall be monitored visually during all periods of coating operations.
- B. The 12-month rolling average VOC emissions shall be monitored monthly.
- C. See Section D.3

SECTION B - EMISSION POINTS, EMISSION UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

5. Specific Record Keeping Requirements:

- A. A weekly log shall be maintained noting if there were visible fugitive emissions beyond the lot line of the property.
- B. The twelve-month rolling average VOC emissions shall be recorded monthly.
- C. See Section D.3
- D. See Section D.5, §63.788, Record keeping and reporting requirements

6. Specific Reporting Requirements:

- A. See Section D.3
- B. See Section D.5, §63.788, Record keeping and reporting requirements
- C. See Section F.5 and F.6

7. Specific Control Equipment Operating Conditions: None

8. Alternate Operating Scenarios: None

SECTION B - EMISSION POINTS, EMISSION UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)**EU03****Enclosed Barge Blasting**

Description: Barge is cleaned by eight (8) automatically operated blasting guns using steel shot, powered by electric air compressors. The blasting room is maintained under negative pressure.

Raw materials used: Steel grit abrasive type/size G-40

Maximum quantity input of raw material: 50,600 lb/hour

Type of products: cleaned barges ready for painting

Maximum hourly capacity: 0.11 barges/hour

Control Equipment: (2) Cartridge filter type dust collectors

Particulate matter control efficiency: 99.99 %

Date constructed: 2003

APPLICABLE REGULATION:

401 KAR 59:010, New process operations applicable to each emission unit which commenced construction on or after July 2, 1975.

1. **Operating Limitations:** The usage rate of raw materials used in all affected facilities shall be limited so that the emission limitations set forth in item 2, below, are not exceeded.

2. **Emission Limitations:**

Opacity and mass limits apply during shot blasting operations:

(i) Visible emissions shall not equal or exceed 20% opacity.

401 KAR 59:010, § 3(1)(a).

(ii) Particulate emissions shall not equal or exceed the emission rate determined by the following equation:

$$E = 3.59(P)^{(0.62)}$$

Where,

E = Emission rate in pounds per hour.

P = Process input weight rate of steel shot media.

401 KAR 59:010, § 3(2).

Compliance Demonstration Method: See Monitoring and Record Keeping Requirements

3. **Testing Requirements:** Testing shall be conducted at such times as may be required by the Cabinet in accordance with 401 KAR 59:005, § 2(2) and 50:045, § 4. In addition, once a calendar year, EPA Reference Method 9 or equivalent reading shall be performed.

SECTION B - AFFECTED FACILITIES, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

4. Specific Monitoring Requirements:

- A. Daily monitoring of cartridge filter house pressure drop shall be conducted on days when the unit is in operation.
- B. A qualitative visual observation of the opacity of emissions shall be performed from the stack on a weekly basis and a log of the observations maintained when the unit is operating. If visible emissions from the stack are seen (not including condensed water vapor within the plume), then the opacity shall be determined by Reference Method 9. If emissions are in excess of the applicable opacity limit, then an inspection shall be initiated of control equipment for all necessary repairs.

5. Specific Record Keeping Requirements:

- A. Records documenting the weekly qualitative visual observation shall be maintained.
- B. Records documenting the results of each opacity reading by EPA Reference Method 9 shall be maintained.
- D. Records documenting the results of any required inspection and repair, as a result of a recorded opacity over 20%.
- E. The cartridge filter house pressure drop shall be recorded daily on days when the unit is operating.

6. Specific Reporting Requirements: See Section F.5 and F.6.

7. Specific Control Equipment Operating Conditions:

Filter houses shall be maintained and operated in accordance with manufacturer's recommendations.

SECTION B - EMISSION POINTS, EMISSION UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

EU04

Enclosed Barge Painting

Description: Barge painting in paint room maintained under negative pressure with four (4) airless spray guns. Control Equipment is four (4) air handling units equipped with twenty-one (21) filter panels each. Each filter panel is a 20" x 20" x 1" non-woven synthetic pad.

Particulate matter control efficiency: 99.76 %.

Date Constructed: 2003

APPLICABLE REGULATIONS:

401 KAR 59:010, New process operations applicable to each emission unit, which commenced construction on or after July 2, 1975.

401 KAR 63:020, Potentially Hazardous Matter and Toxic Substance Emissions, applies to the potentially hazardous matter and toxic substance emissions from affected facilities.

40 CFR 63.780 to 63.788 (Subpart II), National Emission Standards for Shipbuilding and Ship Repair (Surface Coating)

1. Operating Limitations:

- A. All coatings used shall be formulated as-supplied to meet the VOHAP limits contained in Table 2 to 40 CFR 63, Subpart II.
- B. All thinner used must be a HAPS-free formulation.
- C. See Section D.5 and D.6.

The following limits shall apply to assure compliance with Emission Limitations C and D:

- D. Filters shall be in place at all times when the machine is applying paint.
- E. Filters shall be replaced when determined to be inefficient (as determined through visual inspection).
- F. The unit shall be operated and maintained in accordance with the manufacturer's recommendations unless otherwise allowed in this permit.

2. Emission Limitations:

- A. Source wide VOC emissions shall be less than or equal to 98.0 tons during any twelve (12) consecutive month period.
See Section D.3, Compliance Demonstration Method (A).
- B. No owner or operator shall allow any affected facility to emit potentially hazardous matter or toxic substances in such quantities or duration as to be harmful to the health or welfare of humans, animals and plants.
See Section D.6, Compliance Demonstration Method (D).

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

2. Emission Limitations (Continued):

Limits are per spray booth.

C. Visible emissions shall not equal or exceed 20% opacity.

401 KAR 59:010, Section 3(1)(a).

D. Particulate emissions shall not equal or exceed 2.34 lbs/hour.

401 KAR 59:010, Section 3(2).

Compliance Demonstration Method:

If deemed necessary, the Cabinet shall require testing in accordance with 40 CFR 60 Appendix A, Methods 9 and 5 respectively.

3. Testing Requirements: Testing shall be conducted at such times as may be required by the Cabinet in accordance with 401 KAR 59:005 section 2(2) and 50:045 section 4. See Specific Monitoring Requirements.

4. Specific Monitoring Requirements:

A. The twelve-month rolling average VOC emissions shall be monitored monthly.

B. See Section D.3

The following is required as part of compliance demonstration for Emission Limitations C and D:

C. Operating Limitations D and E shall be monitored daily before the unit is operated (on days when a coating is applied).

D. A qualitative visual observation of the opacity of emissions shall be performed from the stack on a weekly basis and a log of the observations maintained when the unit is operating. If visible emissions from the stack are seen (not including condensed water vapor within the plume), then the opacity shall be determined by Reference Method 9. If emissions are in excess of the applicable opacity limit, then an inspection shall be initiated of control equipment for all necessary repairs.

5. Specific Recordkeeping Requirements:

A. The twelve-month rolling average VOC emissions shall be recorded monthly.

B. See Section D.3

401 KAR 59:010

The following is required as part of compliance demonstration for Emission Limitations C and D:

C. Date and results of filter inspections shall be recorded when monitored.

D. All maintenance necessary to demonstrate compliance with Operating Limitation F shall be recorded and include date and time.

E. Records documenting the weekly qualitative visual observation shall be maintained.

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

6. **Specific Reporting Requirements:** As part of compliance demonstration for Emission Limitations C and D, reporting requirement 5 in Section F shall be modified to require only a summary of filter replacement, maintenance, and deviations from permit requirements. This shall be done every 6 months and certified by a responsible official as specified in Section F requirement 5. See reporting requirements 6, 7, and 8 from Section F for additional reporting requirements. See Section D.3
7. **Specific Control Equipment Operating Conditions:** See Operating Limitations above.
8. **Alternate Operating Scenarios:** NA

SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

EU05 Four (4) Diesel Powered Engines (AC1, AC3, AC4 and AC6)

Description: Diesel powered engines for air compressors used at EU01; Date Installed: 1993
AC1 – Caterpillar model 3306; Fuel input (mmBTU/hr): 2.6; Power output (hp): 375
AC3 – Cummins model LTA10; Fuel input (mmBTU/hr): 2.2; Power output (hp): 315
AC4 – Cummins model LTA10; Fuel input (mmBTU/hr): 2.2; Power output (hp): 315
AC6 – Detroit model 8V92TA; Fuel input (mmBTU/hr): 3.0; Power output (hp): 425

APPLICABLE REGULATIONS:

None

1. **Operating Limitations:** The usage rate of fuel used in all engines shall be limited so that the emission limitations set forth in item 2, below, are not exceeded.

2. **Emission Limitations:**

A. Source wide NO_x emissions shall be less than or equal to 35.0 tons during any twelve (12) consecutive month period.

B. Source wide VOC emissions shall be less than or equal to 98.0 tons during any twelve (12) consecutive month period.

See Section D.3, Compliance Demonstration Method (A).

See Section D.4, Compliance Demonstration Method (B).

3. **Testing Requirements:**

None

4. **Specific Monitoring Requirements:**

A. The Permittee shall monitor the amount of diesel fuel consumed by each engine on a monthly basis.

B. The twelve-month rolling average NO_x emissions shall be monitored monthly.

C. The twelve-month rolling average VOC emissions shall be monitored monthly.

D. See Section D.3

5. **Specific Record Keeping Requirements:**

A. The Permittee shall compile and maintain records of the amount of diesel consumed by all engines on a monthly basis.

B. The permittee shall maintain records of the total amount of diesel consumed by all engines on a consecutive twelve (12) month total.

C. The twelve-month rolling average NO_x emissions shall be recorded monthly.

D. The twelve-month rolling average VOC emissions shall be recorded monthly.

E. See Section D.3

6. **Specific Reporting Requirements:**

See Sections D.3, F.5 and F.6.

7. **Specific Control Equipment Operating Conditions:** None

SECTION C - INSIGNIFICANT ACTIVITIES

The following listed activities have been determined to be insignificant activities for this source pursuant to 401 KAR 52:020, Section 6. While these activities are designated as insignificant the permittee must comply with the applicable regulation and some minimal level of periodic monitoring may be necessary.

<u>Description</u>	<u>Generally Applicable Regulation</u>
1. (2) Waste oil burners used for space heat 320,000 BTU/each	401 KAR 63:020 401 KAR 44:020 Section 4 See Section D.6, Compliance Demonstration Method (D)

SECTION D - SOURCE EMISSION LIMITATIONS AND TESTING REQUIREMENTS

1. As required by Section 1b of the *Cabinet Provisions and Procedures for Issuing Title V Permits* incorporated by reference in 401 KAR 52:020, Section 26; compliance with annual emissions and processing limitations contained in this permit, shall be based on emissions and processing rates for any twelve (12) consecutive months.
2. Hazardous Air Pollutant (HAP), Nitrogen Oxides (NO_x), and Volatile Organic Compound (VOC) emissions, measured by applicable reference methods, or an equivalent or alternative method specified in 40 CFR Chapter I, or by a test method specified in the state implementation plan shall not exceed the respective limitations specified herein.
3. VOC emissions shall not exceed 98 tons during any consecutive twelve (12) month period. Monthly records to demonstrate compliance with this limitation shall be maintained and total VOC emissions shall be reported on a semi-annual basis. VOC emissions shall be calculated and recorded on a *monthly* basis. These records shall be summarized in tons per month of VOC emissions; subsequently, tons of VOC emissions per rolling twelve-month period shall be recorded. In addition, these records shall demonstrate compliance with the VOC emission limitations listed herein for the conditional major limitations. These records shall be maintained on site for a period of five years from the date the data was collected and shall be readily available.

If total VOC emissions during any twelve-month period exceed 90 tons, the permittee will begin tracking annual emissions on a weekly basis beginning the following calendar month. Emissions will be tracked in this manner for three consecutive months, and monthly reports shall be submitted to the Paducah Regional Office. If the rolling twelve-month totals remain less than 90 tons for three consecutive months, the permittee may return to monthly tracking and semi-annual reporting until such time as emissions may again exceed 90 tons for a rolling twelve-month total.

Note: weekly tracking will be accomplished by recalculating each of the applicable month's emissions from the prior year from a monthly total to weekly totals, and compared with the weekly totals from the same week of the current year. For the purposes of this tracking, each month shall be broken down into 4 weeks as follows:

- Week 1. Day 1 thru day 7
- Week 2. Day 8 thru day 14
- Week 3. Day 15 thru day 21
- Week 4. Day 22 thru day 31

SECTION D - SOURCE EMISSION LIMITATIONS AND TESTING REQUIREMENTS (CONTINUED)**Compliance Demonstration Method:****(A) For VOC:**

VOC emitted (lbs/month) = \sum [VOC emissions from paint and cleaning solvents]

$$E_{\text{VOC}} = \sum [Q \cdot C_{\text{VOC}}]$$

Where:

E_{VOC} = Total VOC emissions (lb/month)

Q = Usage rate of material (gal/month)

C_{VOC} = VOC content of material (lb/gal)

VOC content of material (C_{VOC}) is obtained from the manufacturer's technical specification sheet.

VOC emitted from diesel fuel combustion (internal combustion engines):

VOC emitted (lbs/month) = $(137.6 \text{ lb}/10^3) \times (10^3 \text{ gallons of diesel burned/month})$

Source-wide VOC emissions = \sum [VOC emissions from paint and cleaning solvents] +
+ \sum [VOC emissions from diesel fuel combustion]

4. NO_x emissions shall not exceed 35 tons during any consecutive twelve (12) month period. Monthly records to demonstrate compliance with this limitation shall be maintained and total NO_x emissions shall be reported on a semi-annual basis. NO_x emissions shall be calculated and recorded on a *monthly* basis. These records shall be summarized in tons per month of NO_x emissions; subsequently, tons of NO_x emissions per rolling 12-month period shall be recorded. In addition, these records shall demonstrate compliance with the NO_x emission limitations listed herein for the synthetic minor limitations. These records shall be maintained on site for a period of five years from the date the data was collected and shall be provided to the Division upon request.

Compliance Demonstration Method:**(B) For NO_x :**

NO_x emitted from diesel fuel combustion (internal combustion engines):

NO_x emitted (lbs/month) = $(\text{EF lb}/10^3) \times (10^3 \text{ gallons of diesel burned/month})$

Source-wide NO_x emissions = \sum [NO_x emissions from diesel fuel combustion]

Note: The emission factor used in the compliance demonstration equation above must be based on manufacturer's data or Division approved technical data. The emission factor(s) and the basis for the emission factor(s) must be submitted with 60 days of the issuance of this permit. An emission factor of $620 \text{ lb}/10^3$ gallons was used to determine potential emissions.

SECTION D - SOURCE EMISSION LIMITATIONS AND TESTING REQUIREMENTS (CONTINUED)

5. 40 CFR 63 Subpart II
§63.783 Standards

- (a) No owner or operator of any existing or new affected source shall cause or allow the application of any coating to a ship with an as-applied VOHAP content exceeding the applicable limit given in Table 2 of Subpart II of Part 63, as determined by the procedures described in §63.785 (c)(1) and §63.785 (c)(4). For the compliance procedure described in §63.785 (c)(4), independent VOHAP shall be determined by Method 311-Analysis of Hazardous Air Pollutant Compounds in Paints and Coatings by Direct Injection Into a Gas Chromatograph, as referenced in Appendix A to Part 63.
- (b) Each owner or operator of a new or existing affected source shall ensure that:
 - (1) All handling and transfer of VOHAP-containing materials to and from containers, tanks, vats, drums, and piping systems is conducted in a manner that minimizes spills.
 - (2) All containers, tanks, vats, drums, and piping systems are free of cracks, holes, and other defects and remain closed unless materials are being added to or removed from them.

Compliance Demonstration Method:
(C) For HAP:

§63.785 Compliance procedures

- (a) For each batch of coating that is received by an affected source, the owner or operator shall:
 - (1) Determine the coating category and the applicable VOHAP limit as specified in §63.783(a).
 - (2) Certify the as-supplied VOHAP content of the batch of coating. The owner or operator may use a certification supplied by the manufacturer for the batch, although the owner or operator retains liability should subsequent testing reveal a violation. If the owner or operator performs the certification testing, only one of the containers in which the batch of coating was received is required to be tested.

§63.785(b)

- (1) In lieu of testing each batch of coating, as applied, the owner or operator may determine compliance using any combination of the procedures described in paragraphs (c)(1), (c)(2), (c)(3), and (c)(4) of this section. The procedure used for each coating shall be determined and documented prior to application.
- (2) The results of any compliance demonstration conducted by the affected source or any regulatory agency using an approved test method to determine VOHAP content shall take precedence over the results using the procedures in paragraph (c)(4) of this section.

SECTION D - SOURCE EMISSION LIMITATIONS AND TESTING REQUIREMENTS (CONTINUED)

§63.785(c)

(1) *Coatings to which thinning solvent will not be added.* For coatings to which thinning solvent (or any other material) will not be added under any circumstance or to which only water is added¹, the owner or operator of an affected source shall comply as follows:

- (i) Certify the as-applied VOHAP content of each batch of coating.
- (ii) Any thinner(s) containing listed VOHAPs will be unavailable. Signs will be posted on-site stating that operators will use only non-VOHAP thinning agents.
- (iii) If the certified as-applied VOHAP content of each batch of coating used during a calendar month is less than or equal to the applicable VOHAP limit in §63.783(a) (either in terms of g/L of coating or g/L of solids), then compliance is demonstrated for that calendar month, unless a violation is revealed using Method 311 of Appendix A to 40 CFR part 63.

§63.785 (c)

(4) *Demonstration of compliance through an alternative (i.e., other than Method 24 of Appendix A to 40 CFR part 60) test method.* The owner or operator shall comply as follows:

- (i) Certify the as-supplied VOHAP content (g VOHAP/L solids) of each batch of coating.
- (ii) If no thinning solvent will be added to the coating, the owner or operator of an affected source shall follow the procedure described in §63.785 (c)(1), except that VOHAP content shall be used in lieu of VOC content.

§63.785 (d)

A violation revealed through any approved test method shall result in a 1-day violation for enforcement purposes. A violation revealed through the record keeping procedures described in paragraphs (c)(1) through (c)(4) of this section shall result in a 30-day violation for enforcement purposes, unless the owner or operator provides sufficient data to demonstrate the specific days during which noncompliant coatings were applied.

§63.786 Test methods and procedures.

- (a) For the compliance procedures described in §63.785 (c)(1), Method 24 of 40 CFR part 60, Appendix A, is the definitive method for determining the VOC content of coatings, as supplied or as applied. When a coating or thinner contains exempt compounds that are volatile HAP or VOHAP, the owner or operator shall ensure, when determining the VOC content of a coating, that the mass of these exempt compounds is included.
- (b) For purposes of compliance with this section, “Method 311 – Analysis of Hazardous Air Pollutant Compounds in Paints and Coatings by Direct Injection Into a Gas Chromatograph,” as contained in Appendix A to Part 63 shall be the approved test methodology.

¹ The source uses a HAPS-free VOC thinner. For compliance purposes, the thinner used will be the equivalent of water as long as the thinner is a HAPS-free formulation.

SECTION D - SOURCE EMISSION LIMITATIONS AND TESTING REQUIREMENTS (CONTINUED)

§63.786 Test methods and procedures.

- (c) A coating manufacturer or the owner or operator of an affected source may use batch formulation data as a test method in lieu of Method 24 of Appendix A to 40 CFR part 60 to certify the as-supplied VOC content of a coating if the manufacturer or the owner or operator has determined that batch formulation data have a consistent and quantitatively known relationship to Method 24 results. This determination shall consider the role of cure volatiles, which may cause emissions to exceed an amount based solely upon coating formulation data. Notwithstanding such determination, in the event of conflicting results, Method 24 of Appendix A of 40 CFR 60 shall take precedence.

§63.788 Record keeping and reporting requirements.

- (a) Each owner or operator of an affected source shall comply with the applicable record keeping and reporting requirements in §63.10 (a), (b), (d), and (f). A summary of record keeping and reporting requirements is provided in Table 3 of Subpart II.
- (b) Record keeping requirements.
 - (1) Each owner or operator of a major source shipbuilding or ship repair facility having surface coating operations with less than 1,000 liters (L) (264 gallons (gal)) annual marine coating usage shall record the total volume of coating applied at the source to ships. Such records shall be compiled monthly and maintained for a minimum of 5 years.
 - (2) Each owner or operator of an affected source shall compile records on a monthly basis and maintain those records for a minimum of 5 years. At a minimum, these records shall include:
 - (i) All documentation supporting initial notification;
 - (ii) A copy of the affected source's approved implementation plan;
 - (iii) The volume of each low-usage-exempt coating applied;
 - (iv) Identification of the coatings used, their appropriate coating categories, and the applicable VOHAP limit;
 - (v) Certification of the as-supplied VOC content of each batch of coating;
 - (vi) A determination of whether containers meet the standards as described in §63.783(b)(2); and
 - (vii) The results of any Method 24 of Appendix A to 40 CFR part 60 or approved VOHAP measurement test conducted on individual containers of coating, as applied.
 - (3) The records required by paragraph (b)(2) of this section shall include additional information, as determined by the compliance procedure(s) described in §63.785(c) that each affected source followed:
 - (i) *Coatings to which thinning solvent will not be added.* The records maintained by facilities demonstrating compliance using the procedure described in §63.785(c)(1) shall contain the following information:
 - (A) Certification of the as-applied VOHAP content of each batch of coating; and
 - (B) The volume of each coating applied.

SECTION D - SOURCE EMISSION LIMITATIONS AND TESTING REQUIREMENTS (CONTINUED)

§63.788 (b)(3)

- (iv) *Demonstration of compliance through an alternative (i.e., non-Method 24 in Appendix A to 40 CFR Part 60) test method.* The records maintained by facilities demonstrating compliance using the procedure described in §63.785 (c)(4) shall contain the following information:
- (A) Identification of the Division-approved VOHAP test method or certification procedure;
 - (B) For coatings to which the affected source does not add thinning solvents, the source shall record the certification of the as-supplied and as-applied VOHAP content of each batch and the volume of each coating applied.

§63.788 (b)

- (4) If the owner or operator of an affected source detects a violation of the standards specified in §63.783, the owner or operator shall, for the remainder of the reporting period during which the violation(s) occurred, include the following information in his or her records:
 - (i) A summary of the number and duration of deviations during the reporting period, classified by reason, including known causes for which a Federally-approved or promulgated exemption from an emission limitation or standard may apply.
 - (ii) Identification of the data availability achieved during the reporting period, including a summary of the number and total duration of incidents that the monitoring protocol failed to perform in accordance with the design of the protocol or produced data that did not meet minimum data accuracy and precision requirements, classified by reason.
 - (iii) Identification of the compliance status as of the last day of the reporting period and whether compliance was continuous or intermittent during the reporting period.
 - (iv) If pursuant to paragraph (b)(4)(iii) of this section, the owner or operator identifies any deviation as resulting from a known cause for which no Federally-approved or promulgated exemption from an emission limitation or standard applies, the monitoring report shall also include all records that the source is required to maintain that pertain to the periods during which such deviation occurred and:
 - (A) The magnitude of each deviation;
 - (B) The reason for each deviation;
 - (C) A description of the corrective action taken for each deviation, including action taken to minimize each deviation and action taken to prevent recurrence; and
 - (D) All quality assurance activities performed on any element of the monitoring protocol.

§63.788 (c) *Reporting requirements.*

Before the 60th day following completion of each 6-month period after the compliance date (January 1st, 2005), each owner or operator of an affected source shall submit a report to the Division for each of the previous 6 months. The report shall include all of the information that must be retained pursuant to paragraphs (b)(2) through (3) of this section, except for that information specified in paragraphs (b)(2) (i) through (ii), (b)(2)(v) and (b)(3)(i)(A). If a violation at an affected source is detected, the source shall also report the information specified in paragraph (b)(4) of this section for the reporting period during which the violation(s) occurred. To the extent possible, the report shall be organized according to the compliance procedure(s) followed each month by the affected source.

SECTION D - SOURCE EMISSION LIMITATIONS AND TESTING REQUIREMENTS (CONTINUED)

6. As required by 401 KAR 63:020, § 3, no owner or operator shall allow any affected facility to emit potentially hazardous matter or toxic substances in such quantities or duration as to be harmful to the health and welfare of humans, animals and plants. Evaluation of such facilities as to adequacy of controls and/or procedures and emission potential will be made on an individual basis by the Cabinet.

Compliance Demonstration Method:

(D) Potentially hazardous matter or toxic substances

An air dispersion model protocol for potentially hazardous matter and toxic substance emissions (air toxics) for facilities listed in Section B and Section C of this permit shall be submitted within 60 days of the issuance of this permit. Upon approval of the protocol, the source shall model the air toxics emissions as indicated in the protocol. The source shall submit the results of the air modeling to the Division, whereupon the emissions of toxics shall be evaluated to determine the compliance status with 401 KAR 63:020.

The compliance determination is based on the potential to emit emission rates of toxics (e.g., xylene) given in the application submitted by the source. If additional HAPs are identified that were not present in the application, the potential to emit emission rates of those HAPs shall also be included in the air dispersion model.

If the source alters process rates, material formulations, or any other factor that will result in an increase of emissions or the addition of toxic emissions not previously evaluated by the Division, the source shall submit the appropriate application forms pursuant to 401 KAR 52:020, along with modeling to show that the facility will remain in compliance with 401 KAR 63:020.

7. Where there is weekly monitoring and record keeping requirements in this permit, the monitoring and record keeping shall be required if the emission unit operated any day or portion of a day during the week. Where there is daily monitoring and record keeping requirements in this permit, the monitoring and record keeping shall be required if the emission unit operated any portion of the day.

SECTION E - SOURCE CONTROL EQUIPMENT REQUIREMENTS

1. Pursuant to 401 KAR 50:055, Section 2(5), at all times, including periods of startup, shutdown and malfunction, owners and operators shall, to the extent practicable, maintain and operate any affected facility including associated air pollution control equipment in a manner consistent with good air pollution control practice for minimizing emissions. Determination of whether acceptable operating and maintenance procedures are being used will be based on information available to the Division which may include, but is not limited to, monitoring results, opacity observations, review of operating and maintenance procedures, and inspection of the source.

SECTION F - MONITORING, RECORDKEEPING, AND REPORTING REQUIREMENTS

1. Pursuant to Section 1b (IV)1 of the *Cabinet Provisions and Procedures for Issuing Title V Permits* incorporated by reference in 401 KAR 52:020, Section 26, when continuing compliance is demonstrated by periodic testing or instrumental monitoring, the permittee shall compile records of required monitoring information that include:
 - a. Date, place as defined in this permit, and time of sampling or measurements;
 - b. Analyses performance dates;
 - c. Company or entity that performed analyses;
 - d. Analytical techniques or methods used;
 - e. Analyses results; and
 - f. Operating conditions during time of sampling or measurement.
2. Records of all required monitoring data and support information, including calibrations, maintenance records, and original strip chart recordings, and copies of all reports required by the Division for Air Quality, shall be retained by the permittee for a period of five years and shall be made available for inspection upon request by any duly authorized representative of the Division for Air Quality [Sections 1b(IV) 2 and 1a(8) of the *Cabinet Provisions and Procedures for Issuing Title V Permits* incorporated by reference in 401 KAR 52:020, Section 26].
3. In accordance with the requirements of 401 KAR 52:020 Section 3(1)h the permittee shall allow authorized representatives of the Cabinet to perform the following during reasonable times:
 - a. Enter upon the premises to inspect any facility, equipment (including air pollution control equipment), practice, or operation;
 - b. To access and copy any records required by the permit;
 - c. Sample or monitor, at reasonable times, substances or parameters to assure compliance with the permit or any applicable requirements.Reasonable times are defined as during all hours of operation, during normal office hours; or during an emergency.
4. No person shall obstruct, hamper, or interfere with any Cabinet employee or authorized representative while in the process of carrying out official duties. Refusal of entry or access may constitute grounds for permit revocation and assessment of civil penalties.
5. Summary reports of any monitoring required by this permit, other than continuous emission or opacity monitors, shall be submitted to the Regional Office listed on the front of this permit at least every six (6) months during the life of this permit, unless otherwise stated in this permit. For emission units that were still under construction or which had not commenced operation at the end of the 6-month period covered by the report and are subject to monitoring requirements in this permit, the report shall indicate that no monitoring was performed during the previous six months because the emission unit was not in operation [Section 1b (V) 1 of the *Cabinet Provisions and Procedures for Issuing Title V Permits* incorporated by reference in 401 KAR 52:020, Section 26].

SECTION F - MONITORING, RECORDKEEPING, AND REPORTING REQUIREMENTS (CONTINUED)

6. The semi-annual reports are due by January 30th and July 30th of each year. All reports shall be certified by a responsible official pursuant to 401 KAR 52:020 Section 23. All deviations from permit requirements shall be clearly identified in the reports.
7. In accordance with the provisions of 401 KAR 50:055, Section 1 the owner or operator shall notify the Regional Office listed on the front of this permit concerning startups, shutdowns, or malfunctions as follows:
 - a. When emissions during any planned shutdowns and ensuing startups will exceed the standards, notification shall be made no later than three (3) days before the planned shutdown, or immediately following the decision to shut down, if the shutdown is due to events which could not have been foreseen three (3) days before the shutdown.
 - b. When emissions due to malfunctions, unplanned shutdowns and ensuing startups are or may be in excess of the standards, notification shall be made as promptly as possible by telephone (or other electronic media) and shall be submitted in writing upon request.
8. The owner or operator shall report emission related exceedances from permit requirements including those attributed to upset conditions (other than emission exceedances covered by Section F.7. above) to the Regional Office listed on the front of this permit within *30 days*. Other deviations from permit requirements shall *be included in the semiannual report required by Section F.6* [Section 1b (V) 3, 4. of the *Cabinet Provisions and Procedures for Issuing Title V Permits* incorporated by reference in 401 KAR 52:020, Section 26].
9. Pursuant to 401 KAR 52:020, Permits, Section 21, the permittee shall annually certify compliance with the terms and conditions contained in this permit, by completing and returning a Compliance Certification Form (DEP 7007CC) (or an alternative approved by the regional office) to the Regional Office listed on the front of this permit and the U.S. EPA in accordance with the following requirements:
 - a. Identification of the term or condition;
 - b. Compliance status of each term or condition of the permit;
 - c. Whether compliance was continuous or intermittent;
 - d. The method used for determining the compliance status for the source, currently and over the reporting period.
 - e. For an emissions unit that was still under construction or which has not commenced operation at the end of the 12-month period covered by the annual compliance certification, the permittee shall indicate that the unit is under construction and that compliance with any applicable requirements will be demonstrated within the timeframes specified in the permit.

SECTION F - MONITORING, RECORDKEEPING, AND REPORTING REQUIREMENTS (CONTINUED)

- f. The certification shall be postmarked by January 30th of each year. Annual compliance certifications should be mailed to the following addresses:

Division for Air Quality
Paducah Regional Office
130 Eagle Nest Dr.
Paducah, KY 42003

U.S. EPA Region 4
Air Enforcement Branch
Atlanta Federal Center
61 Forsyth St.
Atlanta, GA 30303-8960

Division for Air Quality
Central Files
803 Schenkel Lane
Frankfort, KY 40601

10. In accordance with 401 KAR 52:020, Section 22, the permittee shall provide the Division with all information necessary to determine its subject emissions within thirty (30) days of the date the KYEIS emission survey is mailed to the permittee.
11. Results of performance test(s) required by the permit shall be submitted to the Division by the source or its representative within forty-five days or sooner if required by an applicable standard, after the completion of the fieldwork.

SECTION G - GENERAL PROVISIONS**(a) General Compliance Requirements**

1. The permittee shall comply with all conditions of this permit. Noncompliance shall be a violation of 401 KAR 52:020 and of the Clean Air Act and is grounds for enforcement action including but not limited to termination, revocation and reissuance, revision or denial of a permit [Section 1a, 3 of the *Cabinet Provisions and Procedures for Issuing Title V Permits* incorporated by reference in 401 KAR 52:020 Section 26].
2. The filing of a request by the permittee for any permit revision, revocation, reissuance, or termination, or of a notification of a planned change or anticipated noncompliance, shall not stay any permit condition [Section 1a, 6 of the *Cabinet Provisions and Procedures for Issuing Title V Permits* incorporated by reference in 401 KAR 52:020, Section 26].
3. This permit may be revised, revoked, reopened and reissued, or terminated for cause in accordance with 401 KAR 52:020, Section 19. The permit will be reopened for cause and revised accordingly under the following circumstances:
 - a. If additional applicable requirements become applicable to the source and the remaining permit term is three (3) years or longer. In this case, the reopening shall be completed no later than eighteen (18) months after promulgation of the applicable requirement. A reopening shall not be required if compliance with the applicable requirement is not required until after the date on which the permit is due to expire, unless this permit or any of its terms and conditions have been extended pursuant to 401 KAR 52:020, Section 12;
 - b. The Cabinet or the U. S. EPA determines that the permit must be revised or revoked to assure compliance with the applicable requirements;
 - c. The Cabinet or the U. S. EPA determines that the permit contains a material mistake or that inaccurate statements were made in establishing the emissions standards or other terms or conditions of the permit;

Proceedings to reopen and reissue a permit shall follow the same procedures as apply to initial permit issuance and shall affect only those parts of the permit for which cause to reopen exists. Reopenings shall be made as expeditiously as practicable. Reopenings shall not be initiated before a notice of intent to reopen is provided to the source by the Division, at least thirty (30) days in advance of the date the permit is to be reopened, except that the Division may provide a shorter time period in the case of an emergency.

4. The permittee shall furnish information upon request of the Cabinet to determine if cause exists for modifying, revoking and reissuing, or terminating the permit; or to determine compliance with the conditions of this permit [Section 1a, 7,8 of the *Cabinet Provisions and Procedures for Issuing Title V Permits* incorporated by reference in 401 KAR 52:020, Section 26].
5. The permittee, upon becoming aware that any relevant facts were omitted or incorrect information was submitted in the permit application, shall promptly submit such facts or corrected information to the permitting authority [401 KAR 52:020, Section 7(1)].

SECTION G - GENERAL PROVISIONS (CONTINUED)

6. Any condition or portion of this permit which becomes suspended or is ruled invalid as a result of any legal or other action shall not invalidate any other portion or condition of this permit [Section 1a, 14 of the *Cabinet Provisions and Procedures for Issuing Title V Permits* incorporated by reference in 401 KAR 52:020, Section 26].
7. The permittee shall not use as a defense in an enforcement action the contention that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance [Section 1a, 4 of the *Cabinet Provisions and Procedures for Issuing Title V Permits* incorporated by reference in 401 KAR 52:020, Section 26].
8. Except for requirements identified in this permit as state-origin requirements, all terms and conditions shall be enforceable by the United States Environmental Protection Agency and citizens of the United States [Section 1a, 15 of the *Cabinet Provisions and Procedures for Issuing Title V Permits* incorporated by reference in 401 KAR 52:020, Section 26].
9. This permit shall be subject to suspension if the permittee fails to pay all emissions fees within 90 days after the date of notice as specified in 401 KAR 50:038, Section 3(6) [Section 1a, 10 of the *Cabinet Provisions and Procedures for Issuing Title V Permits* incorporated by reference in 401 KAR 52:020, Section 26].
10. Nothing in this permit shall alter or affect the liability of the permittee for any violation of applicable requirements prior to or at the time of permit issuance [401 KAR 52:020, Section 11(3)(b)].
11. This permit does not convey property rights or exclusive privileges [Section 1a, 9 of the *Cabinet Provisions and Procedures for Issuing Title V Permits* incorporated by reference in 401 KAR 52:020, Section 26].
12. Issuance of this permit does not relieve the permittee from the responsibility of obtaining any other permits, licenses, or approvals required by the Kentucky Cabinet for Environmental and Public Protection or any other federal, state, or local agency.
13. Nothing in this permit shall alter or affect the authority of U.S. EPA to obtain information pursuant to Federal Statute 42 USC 7414, Inspections, monitoring, and entry [401 KAR 52:020, Section 11(3)(d)].
14. Nothing in this permit shall alter or affect the authority of U.S. EPA to impose emergency orders pursuant to Federal Statute 42 USC 7603, Emergency orders [401 KAR 52:020, Section 11(3)(a)].
15. This permit consolidates the authority of any previously issued PSD, NSR, or Synthetic Minor source preconstruction permit terms and conditions for various emission units and incorporates all requirements of those existing permits into one single permit for this source.

SECTION G - GENERAL PROVISIONS (CONTINUED)

16. Pursuant to 401 KAR 52:020, Section 11, a permit shield shall not protect the owner or operator from enforcement actions for violating an applicable requirement prior to or at the time of issuance. Compliance with the conditions of a permit shall be considered compliance with:
 - a. Applicable requirements that are included and specifically identified in the permit and
 - b. Non-applicable requirements expressly identified in this permit.

(b) Permit Expiration and Reapplication Requirements

1. This permit shall remain in effect for a fixed term of five (5) years following the original date of issue. Permit expiration shall terminate the source's right to operate unless a timely and complete renewal application has been submitted to the Division at least six months prior to the expiration date of the permit. Upon a timely and complete submittal, the authorization to operate within the terms and conditions of this permit, including any permit shield, shall remain in effect beyond the expiration date, until the renewal permit is issued or denied by the Division [401 KAR 52:020, Section 12].
2. The authority to operate granted shall cease to apply if the source fails to submit additional information requested by the Division after the completeness determination has been made on any application, by whatever deadline the Division sets [401 KAR 52:020 Section 8(2)].

(c) Permit Revisions

1. A minor permit revision procedure may be used for permit revisions involving the use of economic incentive, marketable permit, emission trading, and other similar approaches, to the extent that these minor permit revision procedures are explicitly provided for in the SIP or in applicable requirements and meet the relevant requirements of 401 KAR 52:020, Section 14(2).
2. This permit is not transferable by the permittee. Future owners and operators shall obtain a new permit from the Division for Air Quality. The new permit may be processed as an administrative amendment if no other change in this permit is necessary, and provided that a written agreement containing a specific date for transfer of permit responsibility coverage and liability between the current and new permittee has been submitted to the permitting authority within ten (10) days following the transfer.

SECTION G - GENERAL PROVISIONS (CONTINUED)

(d) Construction, Start-Up, and Initial Compliance Demonstration Requirements

None

(e) Acid Rain Program Requirements

1. If an applicable requirement of Federal Statute 42 USC 7401 through 7671q (the Clean Air Act) is more stringent than an applicable requirement promulgated pursuant to Federal Statute 42 USC 7651 through 7651o (Title IV of the Act), both provisions shall apply, and both shall be state and federally enforceable.

(f) Emergency Provisions

1. Pursuant to 401 KAR 52:020 Section 24(1), an emergency shall constitute an affirmative defense to an action brought for the noncompliance with the technology-based emission limitations if the permittee demonstrates through properly signed contemporaneous operating logs or relevant evidence that:
 - a. An emergency occurred and the permittee can identify the cause of the emergency;
 - b. The permitted facility was at the time being properly operated;
 - c. During an emergency, the permittee took all reasonable steps to minimize levels of emissions that exceeded the emissions standards or other requirements in the permit; and
 - d. Pursuant to 401 KAR 52:020, 401 KAR 50:055, and KRS 224.01-400, the permittee notified the Division as promptly as possible and submitted written notice of the emergency to the Division when emission limitations were exceeded due to an emergency. The notice shall include a description of the emergency, steps taken to mitigate emissions, and corrective actions taken.
 - e. This requirement does not relieve the source of other local, state or federal notification requirements.
2. Emergency conditions listed in General Condition (f)1 above are in addition to any emergency or upset provision(s) contained in an applicable requirement [401 KAR 52:020, Section 24(3)].
3. In an enforcement proceeding, the permittee seeking to establish the occurrence of an emergency shall have the burden of proof [401 KAR 52:020, Section 24(2)].

SECTION G - GENERAL PROVISIONS (CONTINUED)

(g) Risk Management Provisions

1. The permittee shall comply with all applicable requirements of 401 KAR Chapter 68, Chemical Accident Prevention, which incorporates by reference 40 CFR Part 68, Risk Management Plan provisions. If required, the permittee shall comply with the Risk Management Program and submit a Risk Management Plan to:

RMP Reporting Center
P.O. Box 1515
Lanham-Seabrook, MD 20703-1515.

2. If requested, submit additional relevant information to the Division or the U.S. EPA.

(h) Ozone depleting substances

1. The permittee shall comply with the standards for recycling and emissions reduction pursuant to 40 CFR 82, Subpart F, except as provided for Motor Vehicle Air Conditioners (MVACs) in Subpart B:
 - a. Persons opening appliances for maintenance, service, repair, or disposal shall comply with the required practices contained in 40 CFR 82.156.
 - b. Equipment used during the maintenance, service, repair, or disposal of appliances shall comply with the standards for recycling and recovery equipment contained in 40 CFR 82.158.
 - c. Persons performing maintenance, service, repair, or disposal of appliances shall be certified by an approved technician certification program pursuant to 40 CFR 82.161.
 - d. Persons disposing of small appliances, MVACs, and MVAC-like appliances (as defined at 40 CFR 82.152) shall comply with the recordkeeping requirements pursuant to 40 CFR 82.166
 - e. Persons owning commercial or industrial process refrigeration equipment shall comply with the leak repair requirements pursuant to 40 CFR 82.156.
 - f. Owners/operators of appliances normally containing 50 or more pounds of refrigerant shall keep records of refrigerant purchased and added to such appliances pursuant to 40 CFR 82.166.
2. If the permittee performs service on motor (fleet) vehicle air conditioners containing ozone-depleting substances, the source shall comply with all applicable requirements as specified in 40 CFR 82, Subpart B, *Servicing of Motor Vehicle Air Conditioners*.

SECTION H - ALTERNATE OPERATING SCENARIOS

Not applicable

SECTION I - COMPLIANCE SCHEDULE

Not applicable